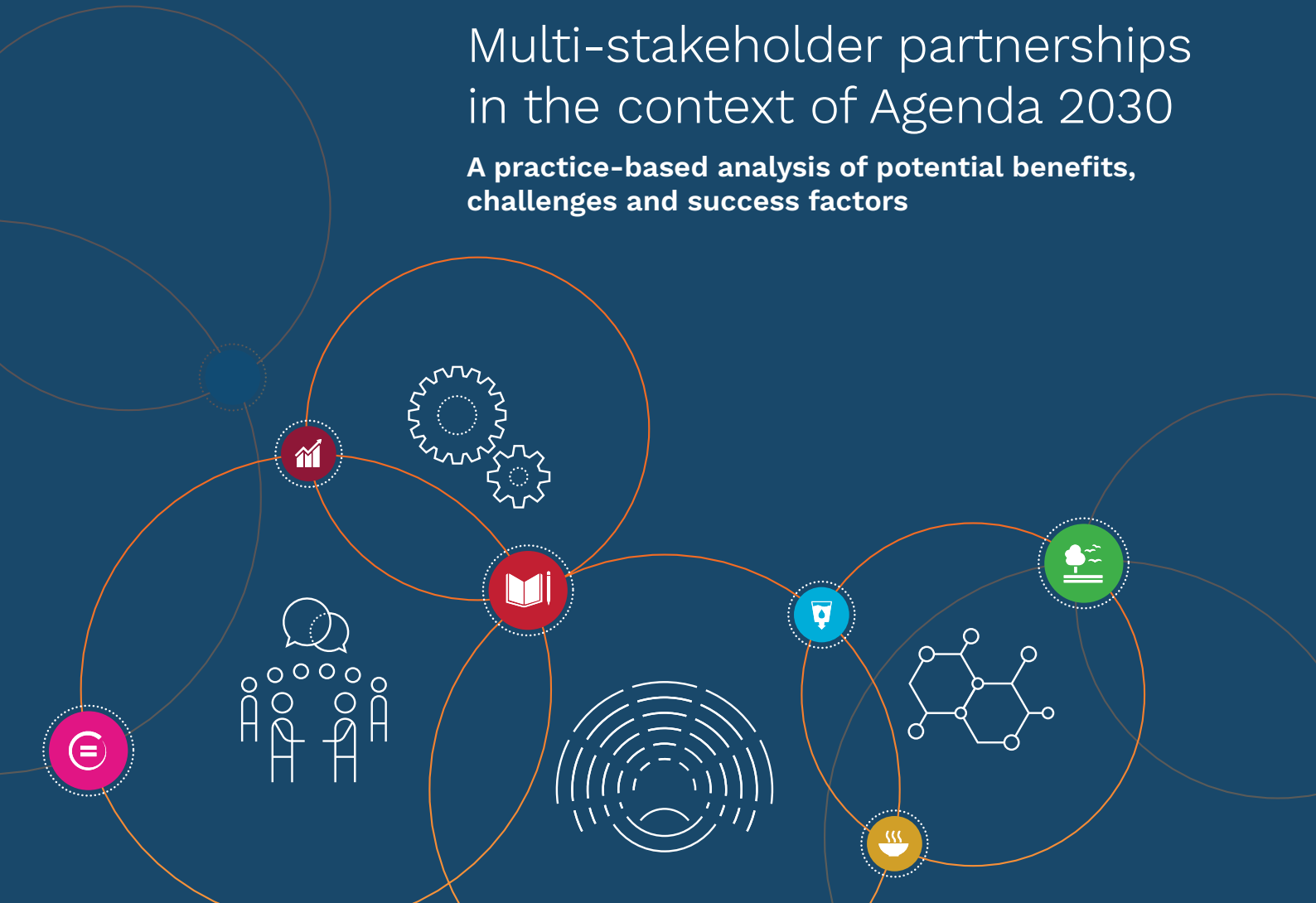


# Multi-stakeholder partnerships in the context of Agenda 2030

**A practice-based analysis of potential benefits,  
challenges and success factors**



On behalf of



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and Development

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## Abbreviations

|        |  |
|--------|--|
| BMWi   | German Federal Ministry for Economic Affairs and Energy          |
| BMZ    | German Federal Ministry for Economic Cooperation and Development |
| D-EITI | Deutschland Extractive Industries Transparency Initiative        |
| EITI   | Extractive Industries Transparency Initiative                    |
| GIZ    | Deutsche Gesellschaft für Internationale Zusammenarbeit          |
| HVGP   | HUMBOLDT-VIADRINA Governance Platform                            |
| MSP    | Multi-stakeholder partnership                                    |
| NGO    | Non-governmental organisation                                    |
| PPP    | Public-private partnership                                       |
| REN21  | Renewable Energy Policy Network for the 21st Century             |
| SDG    | Sustainable Development Goal                                     |
| SDSN   | Sustainable Development Solutions Network                        |
| SME    | Small and medium-sized enterprises                               |
| UN     | United Nations   |

A decorative graphic at the top of the page features several overlapping circles in blue and orange. In the center, there is an icon of five stylized human figures standing in a semi-circle, with speech bubbles above them, representing communication or a meeting. A small orange circle containing the number '1' is positioned to the left of the main title.

1

# Introduction

The 2002 World Summit on Sustainable Development in Johannesburg made multi-stakeholder partnerships (MSPs) a new paradigm in the discourse around international governance. Their proponents claim that they are an effective and innovative instrument for tackling global social challenges. They believe that MSPs create win-win situations because they have the potential to bring together a variety of stakeholder groups and their resources and expertise. This makes it possible to address challenges that individual stakeholders cannot possibly address on their own. Through cooperation and the involvement of different stakeholders, they enhance the problem-solving capacities and legitimacy of national and transnational governance structures. By contrast, sceptics doubt their effectiveness and instead highlight the potential risks of setting up MSPs. Their concern is that multi-stakeholder partnerships primarily benefit corporate interests and sideline democratic processes. They see little evidence of any significant overlap between the interests of transnational companies and the needs of developing countries and therefore suspect that MSP processes will divert money and capacity away from state-led and centrally coordinated projects. As such, they believe that MSPs risk merely exacerbating the existing North-South divide (Schäferhof et al., 2007, 9).

Taken as a whole, the analyses and literature on existing MSPs do not bring us any closer to reconciling these conflicting views. They neither support nor disprove the theory that MSPs represent a new way of resolving conflicts and social problems. What is needed is work to identify the conditions and circumstances under which MSPs can make an effective and successful contribution. It is clear that the world has become increasingly inter-linked at different levels over recent decades, that the global challenges we face are now more complex and that individual stakeholders are operating at their limits. If we wish to set effective and lasting changes in motion, we need to completely restruc-

ture some very complex areas. In this context, there is an increasing recognition of the need for systematic approaches and that uncoordinated interventions by a wide range of stakeholders without appropriate dialogue and coordination mechanisms are no longer adequate. The task of making changes to complex systems demands the energy and conviction of many stakeholders, who can achieve more through collective measures than through uncoordinated solo efforts.

In adopting the 2030 Agenda and announcing 17 Sustainable Development Goals (SDGs), the United Nations (UN) has also highlighted the enormous complexity and interdisciplinary nature of the challenges facing our globalised society and the urgent need for action. In SDG 17 ('Revitalize the global partnership for sustainable development'), the UN emphasises the importance of greater cooperation between public and private sector and civil society stakeholders as a horizontal development goal. On this basis, MSPs can complement the global partnership for sustainable development by mobilising and sharing knowledge, expertise, technologies and financial resources, especially to help achieve the development goals in the poorest countries. However, MSPs are not an end in themselves; the focus is on the issues to be addressed. In this context, only viable solutions should be considered for support.

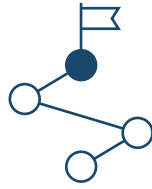
To this end, it is important to understand what makes MSPs successful, to identify and systematically harness their potential and to proactively address the associated challenges. However, this is only possible if we can distinguish MSPs from other forms of cooperation and establish a set of conditions under which their use should be considered or expanded. Without a uniform understanding, and given the manifest tendency to lump together many different forms of participation under the MSP label, this is no easy undertaking.

At present, for example, a total of 2,161 partnerships<sup>1</sup> matching the 17 SDGs are registered with the UN's online platform 'Partnerships for SDGs'. Yet the nature of those partnerships and institutions is every bit as diverse as their sub-goals and measures because there are no criteria defining which types of partnership can register on the portal.

In the run-up to the European Year for Development 2015 and the 2030 Agenda, Germany's Federal Minister for Economic Cooperation and Development, Gerd Müller, initiated a national 'Charter for the Future' process with opportunities for the public to submit proposals for a fairer and more sustainable world through an open online dialogue. For Germany, one of the eight areas of action identified in this consultation was the development of MSPs to implement the 'new global partnership'. The Charter draws attention to the 'mixed results' achieved by the variety of partnerships previously established and sets out the clear task of drawing up criteria for developing and implementing partnerships that can act as a guide and a framework for existing and new alliances. In this context, the goal of German policymakers is to develop a new generation of targeted multi-stakeholder partnerships. This study is intended to contribute to that goal by illustrating the practical issues involved.

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<sup>1</sup> As of 3 December 2016 at <https://sustainabledevelopment.un.org/partnerships>



## Objectives, methodology and structure

The **objective** of this study is to offer a practice-based overview of the challenges, potential benefits and success factors of MSPs with a particular focus on the German MSP landscape. The **target group** is representatives of stakeholder groups that are already or would like to be involved in an MSP. The study is also aimed at institutions that wish to support MSPs financially or by offering training and advice.

With regard to **methodology**, the study is based on a search of the relevant literature and online material concerning general and specific aspects of MSPs and on a detailed analysis of ten existing partnerships. The definition used in the study is largely applicable to these partnerships, although not in every respect, partly because of the need to highlight the spectrum of partnership constellations. The MSPs were chosen in consultation with the commissioning party, focusing on those with German involvement. Selection was based on each MSP's main activities, the aim being to provide a balance across the three categories of partnership: knowledge partnerships, service partnerships and standardisation partnerships (see section 3). On this basis, the following MSPs were selected:

- Alliance for Integrity
- Partnership for Sustainable Textiles
- Extractive Industries Transparency Initiative – Germany
- German Initiative on Sustainable Cocoa (GISCO)
- GAVI – the Vaccine Alliance
- German Water Partnership
- Global Alliance for Trade Facilitation
- Global Coffee Platform

- Global Water Partnership
- REN21 – Renewable Energy Policy for the 21st Century

Ten semi-structured interviews were conducted with representatives of these MSPs. Each lasted roughly one hour and covered their objectives, expectations, decision-making processes, challenges and success factors.<sup>2</sup> The interviewees came from a range of stakeholder groups (policy-making and government, the private sector, organised civil society and academia) and from various MSP bodies (the secretariat and both decision-making and advisory bodies). The interviews focused on the practical observations of those tasked with implementing each project to determine whether they supported or disproved theoretical assumptions and/or merely to provide more detail.<sup>3</sup> As cooperation within MSPs generally involves very sensitive communications, the interview partners remain anonymous.

Turning to the structure of this study, we begin in section 3 by establishing a workable definition and classification for MSPs: what are their defining characteristics, and how do they differ from other forms of cooperation?

<sup>2</sup> A practice-based definition of MSPs was only established during the course of the study. As a result, three of the initiatives listed above do not exactly fit this narrower definition: the German Water Partnership, the Global Alliance for Trade Facilitation and the Global Coffee Platform. Nevertheless, the interviews covering these initiatives provided important information to help set MSPs apart from other forms of cooperation. For this reason, the selection was left unchanged, albeit with the qualification that some of the findings are applicable only in limited form to these three initiatives.

<sup>3</sup> The interview findings are not necessarily representative. They offer a sample of the experiences of those involved in the MSPs.

The next step is to distinguish between various forms of MSP with reference to typological criteria.

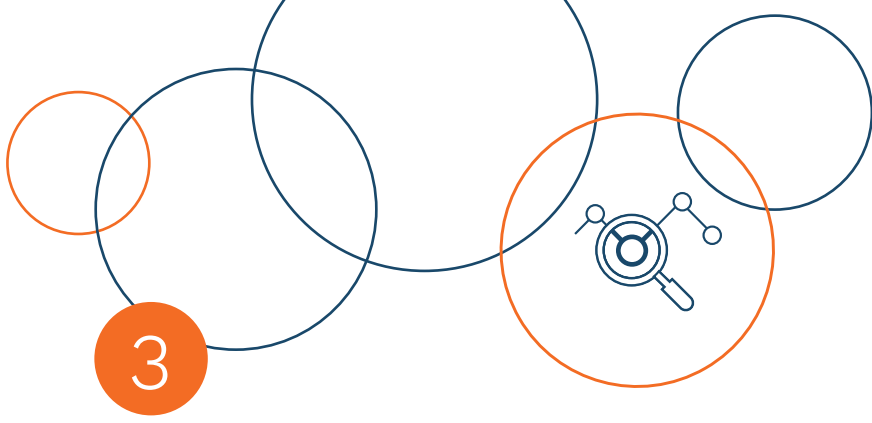
Section 4 looks generally at the potential benefits of and challenges facing MSPs on the basis of relevant publications on the subject and the interview findings.

Section 5 examines the potential benefits and challenges of MSPs in greater detail. It considers a variety of approaches to measuring outcomes and, on this basis, discusses which factors contribute to the success of MSPs. The focus is on the context and on the MSP's objectives, partners and governance structures, once again with an emphasis on practice-based observations.

Section 6 contains an overview of existing MSPs with German involvement and highlights lessons learned that can help to identify thematic areas and scenarios in which MSPs might in future be considered an appropriate solution.

The final section concludes with a series of open questions for further discussion around multi-stakeholder partnerships as an instrument for tackling social challenges.





## MSPs – definitions, classification and typology

### 3.1 Definitions and classification

No uniform term or definition has yet been established – either in academic discourse or in the world of policy-making – to describe the hybrid form of governance that involves both state and non-state actors. Nor has any consensus emerged among those involved in implementing their respective initiatives as to what constitutes a multi-stakeholder partnership. The only thing that is clear is that MSPs involve a number of stakeholders pursuing a common goal, but that within this context, it is not (yet) clear **who** can or must contribute **what** specifically and **for what purpose**. A range of terms are frequently used as synonyms for MSPs, e.g. multi-stakeholder initiatives, cross-sectoral partnerships, multi-stakeholder processes, multi-stakeholder networks, global action networks and public-private partnerships. The same forms of cooperation may simply be given different names by different stakeholders, but sometimes, the same terms are used even where the structures and stakeholders in question differ from each other.

The following definitions and descriptions of multi-stakeholder partnerships can be found in publications on the subject:

- ...cooperative relations between governments, business enterprises and non-profit organisations in order to fulfil a political purpose (Linder/Rosenau, 2000).
- ...people and organisations in a body made up of public, business and civil society members who engage in voluntary, mutually beneficial and innovative relations to address social objectives by combining their resources and competencies (Nelson/Zadek, 2000).
- ...a hybrid form of governance in which non-state actors (business enterprises and NGOs) co-govern with state actors and assume governmental roles that were previously the sole remit of sovereign states (Schäferhof et al., 2007).
- ...institutionalised cross-border interactions between public and private actors designed to provide collective goods (Pattberg/Widerberg, 2016).

These definitions are typical of those found in literature on the subject. However, they emphasise different aspects and are not entirely congruent. It is not necessarily the case, for example, that MSPs will always act in a 'mutually beneficial' way, so definitions such as that offered in Nelson/Zadek, 2000 are clearly normative. Equally, despite the assertion in Schäferhof et al., 2007, MSPs do not necessarily assume roles that fall within the purview of the state. Globalisation has created numerous areas that are currently subject to little or no regulation. These are addressed instead by other forms of governance without always shifting regulatory authority away from the state.



## Practice-based observations by interviewees: **Characteristics of multi-stakeholder partnerships**

Interviewees tasked with implementing their respective projects emphasised different aspects with regard to the criteria that might be used to determine what constitutes a multi-stakeholder partnership.

While all those interviewed agreed that the term **multi-stakeholder** clearly requires cooperation between various stakeholder groups, they expressed differing views with regard to the number of stakeholder groups required and the definition and delimitation of those groups. While some interviewees stressed explicitly that an MSP must include representatives from the state, the private sector and civil society, others thought this was less important, emphasising instead the objectives of the MSP and arguing that it was more important for an MSP to include those stakeholders needed to address the specific challenge, i.e. not necessarily the 'state, private sector and civil society' trio.

One civil society stakeholder and one secretariat representative saw the involvement of civil society as a defining characteristic of MSPs. Another interviewee stressed the importance of protecting the independence of NGOs in this role.

There were also different emphases with regard to the precise meaning of the term **partnership** in the context of MSPs. There was a consensus that a partnership must involve a degree of institutionalisation and independence. However, it was also observed that the criteria for determining the point at which a partnership should be defined as an MSP may vary considerably. In some cases, they noted, the term MSP might be used for very different formats, from a loose network through to clearly structured forms of organisation. Some expressed the view that a partnership is a non-hierarchical form of cooperation in which all the actors have an opportunity to play an active role.

Individual interviewees underlined the importance of MSPs having a common objective, arguing that this is important for their internal processes and for the way they are perceived by others. Finally, some expressed the view that developing country stakeholders should always be represented in global MSPs to ensure that the interests of the global South are given a stronger voice.

Much of the academic literature on the subject paints a similar picture of MSPs, although there is no clear view of what constitutes an MSP for practical classification purposes. For example, should a group made up of several companies and non-governmental organisations be regarded as a multi-stakeholder partnership or simply as a bilateral initiative? Does a loose network of universities, think tanks and NGOs constitute an MSP? Most of the definitions lack precision, and this is mirrored in the observations of interviewees on what they see as the defining characteristics of an MSP.

In order to bring greater focus to the debate, this study has therefore produced a definition of the term 'MSP' on the basis of core characteristics. This interpretation of MSPs as a specific form of cooperation is closely aligned to the definition offered by Stern, Kingston and Ke, 2015.

The following section sets out these defining criteria in detail.

### The defining characteristics of multi-stakeholder partnerships:

- The focus lies on overcoming social challenges and pursuing the common good through long-term cooperation.
- Several representatives from at least three of the four stakeholder groups (state, private sector, organised civil society and academia) voluntarily join forces. At least one member is from organised civil society.
- All the stakeholders are involved in the MSP's work on an equal footing.
- The partnership involves some degree of institutionalisation and independence.

The activities of MSPs often resemble the functions of government ministries and regulatory authorities, except that MSPs have a very specific focus within the broader policy-making framework. This specialisation is a distinct advantage because it allows MSPs to break complex problems down into smaller, more manageable tasks. MSPs can also dedicate themselves to cross-cutting issues such as corruption. By contrast, governments are often hampered in this respect by a lack of coordination between ministries with different responsibilities (Waddel/ Khagram, 2007). MSPs can adopt a more effective horizontal approach and incorporate various points of view. Unlike governments, MSPs also work in other social dimensions and time frames, unfettered by legislative periods, although their agendas are nevertheless influenced by outside events, new policies and international agreements. One of the challenges facing global MSPs in particular is to evaluate their activities in the context of a globalised society and the common good and to factor relevant global and national trends into their work and their deliberation and decision-making processes. Against this background particularly, it is important for MSPs to seek the involvement of appropriate stakeholders.

### → A focus on the common good

Multi-stakeholder partnerships aim to solve complex social challenges such as climate change, poverty, migration, environmental problems and corruption. They primarily address problems requiring collective action, i.e. challenges where everyone stands to benefit from a solution but where the immediate uncertainties and costs of acting alone are too high. MSPs tackle these challenges with a focus on the common good: their activities and the implications of those activities should benefit not just one specific stakeholder but society as a whole. It follows that MSPs are not focused on profit. However, it is not easy to define the social reference and time frame of activities that pursue the common good: which is the community whose common good the MSP should pursue – local, national, regional or global? To what extent should future generations play a role? And what is the MSP's planning horizon for its activities?

### → Diversity of stakeholder groups

It is clear from the use of the prefix 'multi' that MSPs must include a number of stakeholders, yet there is no uniform view on whether 'multi' refers to stakeholder groups or merely to individual stakeholders. Stakeholder groups are also classified in different ways. Some studies only distinguish between private sector and state groups and place both companies and non-governmental organisations in the former category. Others divide the private sector stakeholder category into for-profit and non-profit bodies.

Given the importance of civil society stakeholders in promoting systemic change, this interpretation of the term 'multi-stakeholder partnerships' differs from the conventional public-private partnership in that it requires an MSP to comprise three or more stakeholder groups, one of which is organised civil society.

The use of the word ‘stakeholder’<sup>4</sup> implies that any such partnership should primarily bring together those with a ‘stake’ in achieving an objective. As a general rule, multi-stakeholder partnerships include representatives of state institutions, the private sector, organised civil society and academia. Each will have a very different perspective based on its specific role, practical experience and authority as part of wider society. For this reason, it is worth emphasising here that an MSP should comprise at least three stakeholder groups with their respective viewpoints (see also Annex) and that this criterion is not met simply by bringing together a large number of representatives from just one or two stakeholder groups.

MSPs should therefore include a variety of stakeholder groups, but within each of those groups, they need to bring together partners that have a relevant ‘stake’ in the matter and can contribute to the solution. Within the over-arching group of ‘private sector’ stakeholders, for example, producers and retailers might well represent different points of view, as might local and international NGOs within the ‘civil society’ group.

Under this definition, three of the partnerships selected would be excluded: the Alliance for Trade Facilitation (whose decision-making bodies only include representatives from the state and the private sector); the German Water Partnership (only the private sector and academia); and the Global Coffee Platform (only academia and civil society). All these partnerships maintain a dialogue with representatives of other stakeholder groups, some of which are linked to the partnership as associate members. In all three cases, however, only two stakeholder groups are represented as full members, integrated into the MSP’s internal processes and involved in making decisions.

**On this basis, MSPs need to be distinguished from:**

- initiatives whose primary concern is to promote private sector goods and services, e.g. through industry associations;
- initiatives in which only two stakeholders are fully involved, e.g. public-private partnerships (PPPs);
- initiatives in which one stakeholder, e.g. representing a state institution, is actively engaged on a specific issue but does not cooperate with other stakeholders;
- participatory processes that are merely designed to offer ad hoc information or conduct surveys.

Examples of forms of cooperation that do not meet MSP criteria

→ Participation on an equal footing

The term ‘participation’ covers a broad spectrum, from mere consultation to joint decision-making. MSPs should prioritise stakeholder engagement as a way of motivating stakeholders to commit and remain committed to the task of achieving the MSP’s shared objective. Equality of participation among the various stakeholder groups in the MSP’s processes is central to the principle of partnership on which the MSP is based. Each group must be allowed to actively contribute its positions and viewpoints to the MSP’s targets and outputs. One way of achieving this is to ensure that all groups have equal access to the MSP’s internal decision-making procedures, e.g. by jointly defining a voluntary implementation strategy. Decisions may be taken on a majority basis or through consensus. Combining a right of veto for each stakeholder group with the principle of majority voting can help to speed up the processes involved while reinforcing the sense of partnership.

<sup>4</sup> Stakeholders are defined as the persons, groups or institutions that are affected by a problem and can therefore claim a right to participate in the decision-making procedures (cf. Friedmann/Miles, cited in Beisheim, 2011, p. 10).

## → Voluntary engagement

MSP stakeholders cooperate on a voluntary basis. The commitments they make are an undertaking to work together to achieve shared objectives, provide resources, find solutions, take joint responsibility for the process and assume risks. This voluntary commitment reinforces each stakeholder's sense of individual responsibility to cooperate within the MSP. As a result, we can generally assume that an MSP will be characterised by greater and more lasting engagement than other forms of participation. Some interviewees emphasised that MSPs can be seen as an opportunity to join forces with others of like mind in pursuit of an objective and to win over other groups, including initially reticent stakeholders, by demonstrating successful change and through persuasion.

## → Institutionalisation and formalisation

Multi-stakeholder partnerships go beyond ad hoc consultations or brief, sporadic dialogue. As such, they require a certain level of institutionalisation in order to integrate different viewpoints. The extent to which this is necessary will depend on each partnership's objectives and structure. In general, however, an MSP will need to establish an independent secretariat to provide thematic and organisational support and to ensure that the partnership works effectively.<sup>5</sup> This view was expressed in all the interviews. It is also important to avoid a situation where the MSP is dependent on any single partner in terms of its structure or contributions to its resources.

Formalisation is also a prerequisite for efficient and effective cooperation. This facilitates decision-making processes, promotes controlled working practices and helps to create a group dynamic.

<sup>5</sup> The impartiality of the secretariat is crucial to avoid it being perceived as the 'vicarious agent' of a particular stakeholder group.

## → Long-term engagement

There are three reasons why the process needs to be established over a relatively lengthy period: firstly, to reflect the complexity of the challenges; secondly, to create enough space for dialogue; and thirdly (following on from the second point), to support the process of building confidence among the various stakeholders. In this respect, MSPs clearly differ from participatory initiatives set up to run for a shorter period or in response to particular situations, e.g. surveys and ad hoc consultations.

## 3.2 Creating a typology

Another challenge, in addition to that of defining MSPs as clearly as possible and establishing a sound, uniform understanding of their role, is to try to create a typology of MSPs. This facilitates analysis and a better understanding of the differences between MSP types and conclusions that can be applied to the future design of individual partnerships and the German MSP landscape. Here, too, the studies conducted to date have adopted a variety of approaches. These are briefly described and explained below.

- One possible typology is based on MSP target groups, e.g. children living in poverty, companies in a given sector, unemployed young people, indigenous populations, etc. (Biekart/Fowler, 2016). Given that some MSPs have a large number of target groups and cover a wide range of issues, this typology would be difficult to create and would tell us little.
- Waddel/Khagram, 2007 distinguish between MSPs that (1) organise systems, (2) generate knowledge, (3) share visions, (4) produce reports and measures and (5) provide financing. As the authors themselves state, however, most MSPs perform a combination of these functions, so this typology is of limited use as a means of differentiation.
- One simple proposal also put forward during the interviews is to distinguish between global and local MSPs. Yet classifying individual MSPs using this approach can be challenging. What

## MSP types by main activity

| Type                               | Description   | Examples covered in the study   |
|------------------------------------|---|---|
| <b>Knowledge partnership</b>       | Exchanging knowledge between various stakeholders and disseminating knowledge                                 | <ul style="list-style-type: none"> <li>• Global Water Partnership</li> <li>• REN21</li> <li>• German Water Partnership*</li> </ul>  |
| <b>Standardisation partnership</b> | Establishing standards and norms in areas where there are currently no (or no adequate) regulatory mechanisms | <ul style="list-style-type: none"> <li>• Global Coffee Platform*</li> <li>• D-EITI</li> <li>• Partnership for Sustainable Textiles</li> </ul>   |
| <b>Service partnership</b>         | Implementing projects and services  | <ul style="list-style-type: none"> <li>• GAVI – the Vaccine Alliance</li> <li>• Alliance for Integrity</li> <li>• Alliance for Trade Facilitation*</li> <li>• German Initiative on Sustainable Cocoa (GISCO)</li> </ul> |

\* Does not meet the definition of an MSP as used in this study

Source: Table produced by the authors based on Pattberg/Widerberg, 2014

criteria should we use to assess whether an MSP is global or local – its governance structure, its activities or its results? Is a locally organised MSP that pursues a global objective but offers training in various countries a local or global MSP? While the criteria can, of course, be precisely defined, the conclusions we might be able to draw would be of limited value when designing new MSPs.

- Tapscott, 2013, proposes a classification based on ten categories but notes that they are not necessarily mutually exclusive: (1) knowledge networks, which develop new ways of thinking, research methods and ideas for solving global problems; (2) operational networks, which themselves execute the changes they wish to bring about and therefore complement or even supersede measures implemented by traditional institutions; (3) policy networks, which create policies although they are not governmental policymaker networks; (4) advocacy networks, which seek to influence public debate and the policies of governments, companies or other institutions; (5) watchdog networks, which monitor the conduct of institutions; (6) platforms, which bring together different networks; (7) global standards networks, whose role as non-state organisations is to develop technical specifications and stand-

ards; (8) governance networks, which are granted responsibility for non-institutional global governance; (9) networked institutions; and (10) diasporas, which aim to resolve problems through kinship and ethnic ties.

It is clear that the concept of MSPs is interpreted more broadly in this classification – hence the use of the term ‘network’ rather than ‘partnership’. Nevertheless, some of the networks identified by Tapscott meet the criteria applied in this study to define an MSP, for example ‘knowledge networks’ and ‘global standards networks’.

- Witte, Benner and Streck, 2005, suggest dividing MSPs into three types: negotiating networks that develop global norms and standards; coordinating networks that push forward joint strategies; and implementing networks, whose role is to ensure that international agreements are applied (Witte, Benner and Streck, 2005).
- Beisheim, 2011, proposes a similar typology that classifies MSPs on the basis of their principal activity: standards, services or knowledge.

The last two studies referred to above offer relatively clear and manageable typologies that allow us to identify links between MSP types and to draw inferences about their legitimacy, context, objectives, governance structure and success factors. Each of the principal activities (standards, services and knowledge) is linked to different success factors, both in theory and in practice, and makes different demands in terms of creating legitimacy, formulating objectives and establishing a governance structure. To help us draw practical conclusions from the interviews, these types are explained in greater detail below and then used in the rest of this study.

### → Knowledge partnerships

Knowledge partnerships are designed primarily to exchange and disseminate knowledge and information on a specific theme and to consult on supra-state policy issues. They bring together a variety of knowledge providers – practitioners, civil society, companies and state institutions, mostly from different countries – in order to pool expertise and advance current knowledge. They act as learning platforms and generally pursue the goal of disseminating knowledge through reports, conferences and digital or interactive media. By way of example, the REN21 initiative (Renewable Energy Policy Network for the 21st Century e.V.) wants to help bring about a rapid global transformation of energy systems by facilitating the worldwide exchange of knowledge about renewable forms of energy. To this end, it produces an annual report on the progress of measures being implemented in this field (the Renewables Global Status Report). It also organises a conference every two years (the International Renewable Energy Congress (IREC)) and publishes various short reports with a thematic or regional focus.

### → Standardisation partnerships

Standardisation partnerships are set up to establish voluntary standards in areas where there are currently no binding (or inadequate) regulatory mechanisms.

Possible approaches here include certification, codes of conduct and the publication of transparent information in a specific field. By way of example, the ‘Common Code for the Coffee Community’ (4C) drawn up by the Global Coffee Platform provides a set of minimum standards to promote sustainability in the mass coffee market. It was drafted by the coffee industry in collaboration with partners from state institutions and civil society. 4C producers undertake not to use unacceptable practices such as forms of child labour and rainforest clearance. The Extractive Industries Transparency Initiative (EITI) aims for the disclosure of payments in the minerals sector so that society can see what happens to the revenues from a country’s natural resources, such as oil, gas and coal.

### → Service partnerships

Service partnerships focus on implementing projects. Some might provide financing, while others might specialise in the provision of training in certain areas. One example of the financing approach is GAVI – Vaccine Alliance, a partnership in the health sector whose goal is to fund programmes to vaccinate people in developing countries against avoidable diseases. To this end, it supplies vaccines to the poorest of those countries.

This typology is not mutually exclusive. MSPs that provide a service or develop a standard, for example, always include an element of knowledge transfer. Equally, standardisation partnerships can also perform certain services, albeit on a smaller scale. For each of the MSPs examined in this study, however, there was one main distinguishing activity that allows us to assign it logically to a specific type. This classification was confirmed in the interviews. For example, the Alliance for Integrity sees itself clearly as a service partnership, although it emphasises that it also provides and disseminates knowledge.



# 4

## Potential benefits and challenges of MSPs

### 4.1 Potential benefits

Multi-stakeholder partnerships are credited in the literature with enormous potential to tackle social challenges (Pattberg/Widerberg, 2016, Biekart/Fowler, 2016). By bringing together the positions of different stakeholders they can identify new solutions, promote mutual understanding and stimulate learning processes. They also provide an opportunity to reframe entrenched social debates and view problems from a more integrated perspective. Transnational companies, for example, see MSPs as a way of advancing self-regulation to address the negative social and environmental impacts of global value chains (Mena/Palazzo, 2012). Others view MSPs as an opportunity to design more effective approaches to development cooperation (Pattberg/Widerberg, 2014; Beisheim et. al, 2008). They are sometimes viewed as a way of solving social problems that bypasses corrupt elites or cumbersome government structures, especially in areas where the state's influence is limited (Pattberg, 2014).

These positive attributions are based on the conviction that in many cases, a single stakeholder will be unable adequately to resolve a complex, inter-linked problem that is influenced by the actions of many different stakeholders and stakeholder groups. MSPs can bring together the specialist knowledge, resources, communication channels and technologies of their various stakeholders, enabling them to tackle a challenge together. Another suggested benefit of MSPs is that the stakeholders, as representatives of different interests, have an inherent interest in finding a viable solution.

The fact that different stakeholders are able to contribute to decision-making in a non-hierarchical way is one of the reasons why the problem-solving approach adopted by MSPs has met with broad acceptance (Faysse, 2006).

Unlike sporadic and ad hoc consultation processes, MSPs generally take a long-term approach. This allows for a sustained discourse between various stakeholders and can provide the momentum for deep-rooted change, promoting accountability and individual responsibility. Their inclusive nature means that many different points of view are reflected in the chosen solution and that, as a result, that solution is likely to gain broad acceptance.

### 4.2 Challenges

The potential of multi-stakeholder partnerships to make a useful contribution to tackling social challenges cannot be harnessed without investing considerable time and money, however. The work of establishing an MSP and implementing its goals involves sustained, time-consuming and, in most cases, costly activities.

At the outset, one of the challenges is to find the right partners, to find ways in which all the stakeholder groups can derive some form of additional benefit and to accommodate their often conflicting motivations, e.g. the focus of private companies on profit, of civil society groups on the common good (in certain areas) and of state and political actors on the general public interest.





## Practice-based observations by interviewees: Potential benefits of MSPs

All those interviewed expressed the view that MSPs offer considerable potential as a tool for tackling social challenges. They identified the resulting coordination and cooperation between different stakeholders as one of the most productive characteristics of MSPs and felt that a formalised partnership allows all stakeholder groups to provide input on an equal footing and that civil society in particular benefits from this approach. Interviewees also noted that civil society stakeholders' involvement in MSPs is important; it underlines the focus of those partnerships on the common good and rebuts occasional accusations of 'greenwashing'.

Two interviewees suggested that MSPs should initially be set up as a group of individuals who are on good terms with each other and then gradually win over sceptics and opponents through networks, political pressure and the MSP's early successes. It was also regarded as important to word the changes sought by the MSP in such a way as to offer clear benefits for all those stakeholders it wishes to bring on board. One interviewee stressed the need to avoid gagging any of the MSP's stakeholders if the goal is to stimulate a new, transparent and sensitive culture of discussion between different stakeholder groups.

The potential of MSPs to deal with the complexity of present-day social challenges was also highlighted. One company representative at the MSP Camp 2016<sup>7</sup> pointed out that no single stakeholder group can fully acquire the expertise of the others. Provided that resources, knowledge and expertise are combined to good purpose, it was felt that MSPs can produce additional benefits, especially in those cases where markets, states and international organisations acting alone had achieved no results so far or had simply failed. MSPs were cited as a possible tool for companies that depend on international supply chains and wish to ensure that those chains are based on principles of fairness. Interviewees argued that companies cannot tackle the challenges on their own and must therefore cooperate with many other stakeholders, noting the role of MSPs as one possible vehicle for this cooperation.

One interviewee highlighted the potential benefits of integrating academia into MSPs on a cross-disciplinary basis, observing that academic organisations have so far been involved merely as research providers and that in terms of implementation, their role is often that of an unequal partner.

It is also important to take into account the level of resources available to each group – especially given the minimal capacity of some civil society organisations based in the global South – and to establish appropriate structures and formalisation processes.

Over the long term, another challenge is to maintain the commitment of the various partners to the MSP's objective. After all, each is required to contribute substantially in such a partnership, not only through attendance at meetings but also, for example, in terms of preparation and follow-up, regular communication, reading documents and representing the MSP.<sup>6</sup>

Furthermore, there has been an observable surge, especially more recently, in different forms of involvement on various issues, and those stakeholders which identify with more than one such problem will need to prioritise very clearly how and where they direct their time and resources.<sup>6</sup>

<sup>6</sup> In some MSPs, for example, the members undertake to report regularly on the progress made towards implementing their respective commitments.

<sup>7</sup> On 24 November 2016, GIZ invited a range of stakeholders to discuss the meaning and further development of multi-stakeholder partnerships at an event entitled 'MSP Camp: Rethinking Partnerships'.



## Practice-based observations by interviewees: Challenges of MSPs

As well as highlighting the potential benefits of MSPs, interviewees pointed out numerous challenges. The difficulty of finding the right partners was repeatedly emphasised, as illustrated in the following selection of observations:

- One civil society **representative** expressed concern that NGOs risk losing their credibility if their image is shaped entirely through their involvement in consensus-based processes as part of an MSP rather than through public campaigns. Another interviewee remarked that civil society organisations often agree only reluctantly to cooperate with the private sector, preferring to tackle social challenges through regulation rather than through voluntary alliances with an uncertain outcome.
- One interviewee stated that cooperation is not always easy for **state actors**, as they are to some extent under pressure from the public to achieve rapid results. In contrast to the regular business of policymaking, this is frequently not possible within an MSP, where bargaining processes demand a certain amount of flexibility on policy matters. It was also clear from the interviews that state actors are not always seen as equal partners but sometimes rather as impartial intermediaries. Based on the interviews, those with practical experience seem to interpret the role of state actors in MSPs in very different ways by. However, regardless of the structure of an MSP, the involvement of state actors was regarded as important, as one of the core tasks of such a partnership is to provide public goods.
- One **representative of the private sector** observed that MSPs should not be misunderstood as a way for the state to save public money by cooperating with the private sector; private companies incur substantial costs through their involvement in such initiatives, and this involvement is not a direct business objective. Another interviewee noted that a considerable effort was often needed at first to persuade small and medium-sized enterprises (SMEs) to invest time and resources in a long-term MSP process, adding that while SMEs play an important role in MSPs, they often lack the personnel needed to make an active contribution to such partnerships. One civil society representative felt it was problematic that private sector stakeholders could use MSPs to delay the introduction of measures sought by other stakeholders or to fend off possible regulation, thus in particular exacerbating the difficulties of building up trust between the partners. The same interviewee proposed a moderated culture of presenting and justifying individual positions in order to throw light on each partner's motives and therefore create greater momentum.

These observations show that MSPs place considerable demands on all those involved in terms of their willingness to adopt new approaches and to devote sufficient resources to their role. Several interviewees pointed out that partnerships do not function solely at institutional level but, above all, need committed individuals who are open to working as part of an MSP. Good personal interaction is viewed as particularly important for a successful partnership, and frequent turnover within MSPs therefore presents a challenge and places great demands, for example on the MSP's internal knowledge management system.

Another challenge cited by interviewees is the sheer number of different initiatives requiring coordination. One view expressed was that even large companies are finding it increasingly difficult to monitor and engage with so many MSPs and dialogues. The more diverse the company, the more issues it needs to keep track of at the same time.

A whole series of challenges were identified by interviewees in relation to the structure and management of MSPs, e.g.:

- inadequate start-up financing;
- competition for resources with existing partnerships and initiatives that have very similar objectives;
- local political and economic risks;
- a lack of organisational capacity among the stakeholders involved;
- changes of government and associated changes in the level of political support;
- different institutional cultures and the absence of a 'shared language';
- no shared understanding of the MSP's objectives;
- unclear or non-existent governance structures for non-hierarchical cooperation (e.g. with regard to individual stakeholder competencies within the MSP, the respective mandates of the secretariat and the board, compliance rules, and responsibilities for contributing resources);
- clashing expectations of the MSP's time frame and ability to deliver solutions.

Some interviewees were of the opinion that the rapid increase in the number of MSPs is leading to greater fragmentation at the global policy-making level and that state actors were using this mechanism as a way of avoiding their responsibility to provide public goods and promote sustainable development. They also argued that this proliferation of MSPs is producing an 'à la carte multilateralism in a global multi-stakeholder bazaar' (Schäferhof et al., 2007: 21) and that companies are seeking out MSPs that will ideally serve their own corporate interests without contributing much themselves. Although these generally global challenges cannot be resolved at the level of an individual MSP, they still need to be addressed, for example at conferences or in further analyses on this subject.



## Factors in the success of MSPs

### 5.1 Perspectives on evaluation

The argument that MSPs should play a larger part in national and global governance and take over responsibilities in areas that have previously been the preserve of traditional executive bodies is based on a view of their legitimacy, efficiency and effectiveness: Are the perspectives of all relevant stakeholders represented, and do they feed into the process of finding solutions? Are available resources being used appropriately to achieve the desired objective? Are results being achieved, and over what time frame? Is there evidence of unintended consequences? Also central to any evaluation is the question of what is being evaluated: the contribution of all MSPs to global sustainable development; individual MSPs in one country or region or in one specific thematic area; or merely individual aspects of MSPs or the projects they run (Pattberg 2014)?

So far, the evaluation of existing MSPs has played a relatively minor role in global governance, but it will become more important in future in relation to the 2030 Agenda if – in line with SDG 17 – MSPs increasingly tackle global challenges. The evaluation process will need to focus on the extent to which MSPs help to achieve SDGs, whether there is duplication of structures, whether specific themes or regions are neglected, and whether effective coordination mechanisms are therefore needed.

In evaluating individual MSPs, the level of scrutiny is also relevant: what impact must an MSP achieve at what level and over what time period to be considered ‘successful’? A distinction may be made here between outputs (directly developed capacities, such as training courses, guidelines, standards and disseminated knowledge), outcomes (directly observable benefits and changes within the target group) and, finally, impact (broader results, including

secondary and long-term effects) (Beisheim, 2005, van Tulder et al., 2015).

MSPs tackle very diverse challenges and operate in very different environments and at various levels (global, regional and national), so it is difficult to compare them in terms of their ‘success’. The task of evaluating success is also hampered by their differing resource levels – that is, MSP inputs. One suggestion is to measure the outputs and outcomes achieved by MSPs against their own self-defined objectives; however, such a process would mean MSPs with less ambitious objectives, perform better than, say, those that have set ambitious objectives but are making only slow and gradual progress towards them (Pattberg, 2014). It is also important to remember that the degree of complexity and the divergence of the agendas of the stakeholders involved will vary considerably depending on the issue. An excessive short-term focus on externally demonstrable results may risk impeding important processes within the partnership. While establishing a partnership between the various stakeholder groups is not an end in itself, the mere act of bringing stakeholders together can be one step towards achieving the MSP’s long-term goals.

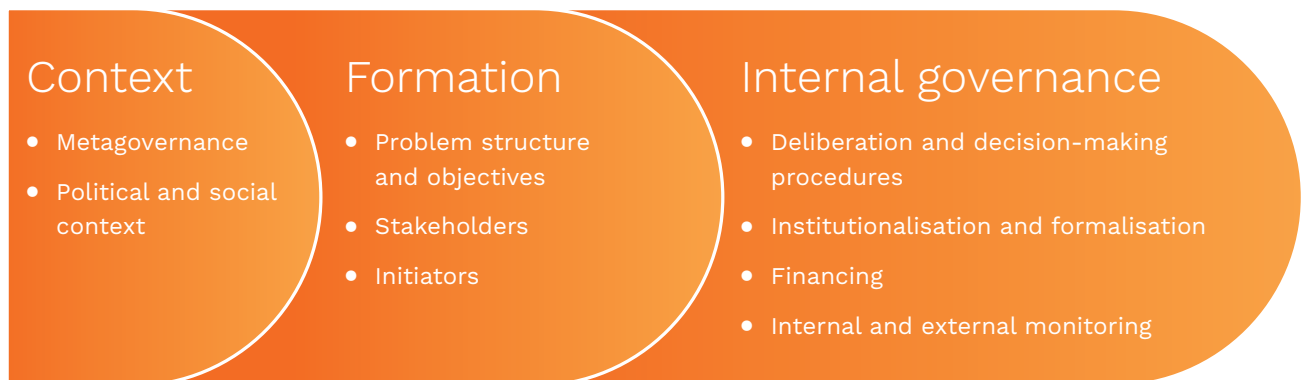
Finally, measuring impact is difficult because of the complex causal interlinkages addressed by partnerships. Nonetheless, it is essential to stake out what results such partnerships have achieved. Indeed, it is of global importance that MSPs produce a substantial outcome and impact; if not, they are irrelevant to implementing the 2030 Agenda. In the following section, we identify the factors that influence the legitimacy, efficiency and effectiveness of MSPs and that should be included in any evaluation of their ‘success’.

## 5.2 Overview of success factors

Over recent years, a number of studies have analysed and compared a range of MSPs to tease out the factors underpinning their success. Analyses of individual MSPs have generated substantial new insights, but existing studies are only partially comparable because of the different understandings of MSPs that they represent. Moreover, each analyst or researcher who has explored the successes of MSPs has his or her own predisposition (Biekart/Fowler, 2016). Nevertheless, the literature and the implementers interviewed for this study describe factors that are conducive to the effectiveness, efficiency and legitimacy of an MSP. Some MSPs operate more

intensively at the output level, while others focus more on outcomes or impact. Depending on the type of MSP (knowledge, standardisation or service partnership), these factors play a more or less important role. In the next section, we offer a systematic analysis of these factors together with views from practitioners.

Success factors can logically be sub-divided into three categories (based on Pattberg/Widerberg, 2014): the MSP's context – the field in which it operates; the formation of an MSP – the founding stakeholders and objectives; and the MSP's internal governance – how those objectives are to be achieved within the given environment.



## 5.3 Context

### → Metagovernance

In terms of institutional supervision, metagovernance refers to the general framework within which MSPs should be evaluated and adapted. This includes an MSP's relationship to international political objectives and the SDGs and the number and range of existing MSPs. MSPs operate not in a vacuum but in the context of increasingly fragmented, uncoordinated and non-hierarchical global governance. A lack of coordination initially creates overlaps and fragmentation and then leads to inefficiency, redundancy and wastage of resources. To date, there is no institution or platform for coordinating MSPs.

The UN's 'Partnerships for SDGs' online platform represents an initial attempt to bring together and present a range of partnerships. However, registration is voluntary and – as already noted – these partnerships have very diverse structures. As a result, MSPs need to engage intensively with their environment, identify other MSPs with similar objectives and form alliances with them rather than establishing parallel processes. This also involves devising joint evaluation criteria that can be used to establish whether individual MSPs are actually helping to ensure compliance with and the fulfilment of international treaties and agreements, including the SDGs.



### Practice-based observations by interviewees: **Metagovernance**

Interviewees confirmed the importance of engaging with other initiatives within a thematic area. This helps to avoid duplication and facilitate synergies. As one interviewee pointed out, it also helps to define the particular role of an MSP,

even if it is not always easy to understand the objectives, processes and organisational structures of other MSPs. In general, the interviews illustrated the need for a dialogue across and between differing MSPs.

#### Implications by type of MSP

- This aspect is important for all partnerships but particularly so for those that may benefit from cooperation with other initiatives and partnerships.

This is particularly the case with service partnerships, which have comparatively high operating costs. The synergies achieved through cooperation with other initiatives and partnerships can reduce these costs in some cases.

#### → Political and social context

Depending on their sphere of influence and activity, MSPs need to integrate into existing political and social contexts and in doing so are influenced by those contexts. MSPs potentially fulfil three roles in relation to the surrounding governance architecture (Pattberg/Widerberg, 2014: 31):

- complementing and supporting existing governance systems;
- displacing the public administration system by carrying out roles that are traditionally the purview of the state;
- reinventing policy-making by performing these roles in new ways.

Here, it is particularly important that MSPs with a local focus are also familiar with the local socio-economic and political conditions.



### Practice-based observations by interviewees: **Political and social context**

Interviewees emphasised the importance of a thorough study of both the sociopolitical structures and the local conflict structure and power relationships before setting up an MSP. They also recommended securing the active support of partner countries. One interviewee argued for smaller-scale pilot projects to be set up initially in difficult contexts so that the partners can improve their understanding of local processes and cooperation cultures and make a better

assessment of whether it makes sense to set up an MSP or whether alternative instruments are available. Another interviewee emphasised how helpful existing processes and structures can be in developing an MSP. This person cited the example of an MSP that had been set up following an international conference, ensuring that there was an existing foundation of trust and personal contacts on which to base future cooperation.

### Implications by type of MSP

- The context must be taken into consideration for all types of partnership but plays a more important role for standardisation and service partnerships than for knowledge partnerships. For example, devising a new standard requires knowledge of the various local social and political factors. Without this knowledge, a standard could ultimately have unintended consequences.

## 5.4 Formation

### → Problem structure and objectives

The more complex the problem to be tackled through an MSP, the more difficult it will be to solve. The level of complexity is determined by the scope of the problem, the number of different stakeholders and interests involved, and uncertainty over interdependencies. An MSP also has to resolve differences between individual stakeholders in terms of how they define the problem. Identifying and acknowledging such differences will make it easier to agree objectives. This is also crucial to

managing expectations and, consequently, to ensuring the involvement of all stakeholders. Ultimately, the problem structure and the objectives to which it gives rise have implications for decisions on how the MSP is governed. The greater the number of stakeholder groups affected by a problem, the broader involvement must be.

When formulating objectives, it is particularly important to define the level of ambition and precision as this reduces the scope for interpretation. By contrast, objectives that are formulated too vaguely can hamper subsequent reporting and therefore undermine transparency and accountability. Moreover, unclear objectives may deter key stakeholders from becoming involved in an MSP.

Nonetheless, care must also be taken – particularly in the initial stages of an MSP – to ensure that the objectives and the mechanisms through which they are to be achieved (the ‘theory of change’) are jointly formulated. Depending on the context and the progress made towards reaching an agreed definition of the problem, the act of formulating shared objectives encourages stakeholders to identify with the MSP and strengthens their long-term engagement. Furthermore, it helps to calibrate the often widely differing expectations of stakeholders.



### Practice-based observations by interviewees: **Setting up an MSP**

All our interviewees identified clear and shared objectives as a central factor in securing the success of an MSP. They observed that differing understandings of problems and an unclear problem structure were significant obstacles to subsequent implementation. Therefore it is important to take the necessary time, during the initial phase of an MSP, to define objectives, even though partners often expect rapid outputs.

The practitioners all agreed that the process of setting objectives was not just an end in itself but also the means to achieving those objectives. If this process is designed to be inclusive, it creates the trust required for the actual work of the MSP.

A number of interviewees also emphasised the advantages of gradually adapting or broadening the objectives, arguing that, in its initial stages, an MSP should not be overloaded with objectives whose achievability often depends to some extent on the dynamics that develop within the partnership. In this context, several interviewees also cited the benefits of restricting an MSP’s initial work to very concrete issues and of adopting further objectives only once initial successes have been achieved and trust between stakeholders has been built. They also stressed that it is particularly important at the beginning of a partnership for stakeholders to be transparent about their agendas and associated expectations.

## Implications by type of MSP

- For service partnerships, it is vital to define clear, achievable and, where appropriate, measurable objectives. Financial donors in particular like to know whether the planned services – e.g. training courses or vaccinations – have actually been delivered as a result of their financial contribution.
- For standardisation partnerships, it is initially important to recruit a ‘critical mass’ of relevant stakeholders and to build trust. Formulating a new standard is a sensitive and demanding undertaking, so the priority should be to design a process that is perceived as legitimate and that runs smoothly rather than rapidly setting objectives that cannot then be achieved because the partners are not committed to them. Of course, the standard envisaged by the MSP should not be set so low that it ultimately delivers no added value and the use of resources is unjustified. This is a potential conflict that requires attention.
- At first glance, it may not seem as important to define objectives for knowledge partnerships as for the other two types of MSP. However, to sustain the engagement and interest of stakeholders and to avoid accusations of being merely a ‘talk shop’, this type of MSP also needs objectives. These may take the form of annual reports on particular issues, regional surveys or similar outputs.

## → Stakeholders

The formulation of objectives is closely linked to the stakeholders’ conceptualisation of the issue (Biekart/Fowler, 2016) and is a crucial step in establishing an MSP. Which stakeholder groups must be brought on board, and how are they defined? Which stakeholders are relevant but will be difficult to win over? Fundamentally, partnerships are networks for sharing resources with the aim of creating synergies. The partner recruitment process should therefore reflect the fact that those selected bring with them key human, intellectual, financial, organisational and other resources. This creates a potential conflict between inclusivity and effectiveness (Stern et al., 2015). It is important to incorporate as many perspectives as possible, but the governance structure must not be so cumbersome that decision-making becomes impossible. A balance must therefore be found between the MSP carrying many different partners along with it and being organised effectively (Waddel/Khagram, 2007).

Careful stakeholder mapping and thoughtful partner selection represent a good investment of time in the early stages and will pay off in the end. Up-front analysis of this kind – including within individual stakeholder groups – is particularly crucial in states where democracy is weaker to avoid a situation where involvement in the MSP is ultimately restricted to parties that already have very similar interests and understandings (Biekart/Fowler, 2016: 17).

To boost the legitimacy of an MSP, it is important that the stakeholders involved see themselves as active partners rather than merely as consumers of activities. Depending on the size of the MSP, appropriate mechanisms need to be found for influencing activities at local level, e.g. through country units, national advisory groups or the use of modern communication technologies. This also applies to sub-national structures, which may also need to be taken into consideration in the choice of stakeholders, for example as with the German federal states in D-EITI. A further factor is the role of each partner, which needs to be defined and communicated transparently. Sometimes, the terms ‘members’ and ‘partners’ are used interchangeably, although they often imply differing rights and obligations. The same is true of partners whose involvement is confined to financing an MSP’s activities and who do not contribute to defining goals and processes.





## Practice-based observations by interviewees: Stakeholders

Interviewees' experiences show that, particularly at the start of an MSP, much will depend on individuals and whether they can work with others on a basis of trust. However, individuals remain important beyond the initial stage, once the MSP's processes get under way. Interviewees reported, for example, that staff turnover within their organisations also led to turnover within the MSP and that this had a negative effect on the continuity and effectiveness of the MSP's work. They suggested that a proportion of the seats on MSP bodies be occupied by named individuals rather than by organisations. The named individual would then continue to occupy that seat even if he or she moved jobs within the organisation. Interviewees reported that this is, in fact, already the case in some MSPs because some institutions – e.g. ministries – are unable to join certain types of partnership for formal reasons. As pointed out by interviewees, however, the fact that partner turnover cannot be completely avoided places greater demands on MSPs in terms of knowledge management.

The policy area and context are crucial to the selection of relevant MSP partners. For example, within global MSPs, interviewees argued that it was not enough to recruit partners solely from industrialised nations. However, when recruiting partners from the South, they felt it was particularly important to identify authoritative and progressive forces with an interest in helping to shape transformative change.

Some interviewees emphasised the initial importance of bringing together motivated stakeholders but also noted that the make-up of the partnership can be a key factor in recruiting further stakeholders at a later stage. One interviewee observed that it becomes more attractive for even critical stakeholders to join the partnership and help shape processes once an MSP has been established and is perceived as a major player within a policy area.

Ultimately, transparency is essential in deciding how stakeholder groups relevant to the joint problem-solving approach are defined and how representatives of the appropriate institutions and organisations are allocated to groups. In practice, stakeholder groups sometimes reflect a variety of understandings. Trade unions, for example, are often grouped with representatives of the private sector or organised civil society or else constitute their own stakeholder group. Other stakeholders do not easily fit into existing groups (the state, the private sector, organised civil society and academia): examples include MSPs that are partners of another MSP, such as the Global Compact network Ghana, which is a partner of the Alliance for Integrity.

In partnerships that aim to cooperate with and bring about change in emerging economies and developing countries, an additional question to be answered is whether the actions of the MSP are driven by demand or supply. In other words, does its work tend to reflect the interests of powerful northern stakeholders, or are the real needs of the South integrated into the structure of its activities? Stakeholders from emerging economies and developing countries are often noticeably under-represented or lack the resources they need to take part in activities, e.g. money to pay for flights (Beisheim/Liese, 2014). Consideration needs to be given to this and, where possible, solutions put in place through a more intensive initial search for partners, by locating activity structures within those developing countries, or through greater use of modern communication technologies (Schäferhof et al., 2007).

### Implications by type of MSP

- In a service partnership, the services to be delivered are often demanding, both financially and in terms of staffing. It is therefore important that, where possible, the partners recruited to the MSP are able to contribute many of the resources needed themselves and that the distribution of work between those partners is clearly defined.
- Inclusion has an important part to play in standardisation partnerships (Beisheim/Liese, 2014 and Pattberg/Widerberg, 2014), particularly during the standard-setting phase. The inclusion of diverse stakeholders brings the necessary technical, regional, social and political knowledge into the process, which is valuable in formulating a standard that creates added value without being too ambitious. This inclusive approach also boosts the long-term validity of a standard whose target group comprises the members of an MSP: if they are able to influence the standard, they will take joint responsibility for it, with a positive impact on compliance.
- For knowledge partnerships, it can be an advantage to have leading academics or practitioners in a particular area involved in the MSP.

### → Initiators

As a partnership gets under way, it is often useful to have a business person or politician to organise the process and bring together key partners (Pattberg/Widerberg, 2016). These initiators should be well networked and have access to vital resources. It is also important that they recognise differences in power between the partners to be recruited and mitigate these differences in the initial processes.

### Implications for different types of MSP

The need for an initiator applies to all types of partnership, but distinctions can be drawn between different types of MSP.

- In a knowledge partnership, representatives of academia and innovators will play a major role (Pattberg/Widerberg, 2014).
- When an MSP is focused on compliance with standards, it is helpful for stakeholders from the target sector to contribute to initiating the MSP.
- In a service partnership, it is beneficial to have a well-resourced partner involved as a pioneer from the outset.



### Practice-based observations by interviewees: Initiators of MSPs

Interviewees viewed new MSPs as being predominantly initiated by stakeholders representing the state and the private sector. They emphasised that an initiator needs a wide-ranging network and excellent powers of persuasion. An initiator need not necessarily be a single individual; a small circle of influential and well-networked stakeholders could also be an initiator.

They stressed the importance of initiators reflecting the character of an MSP and recognising new stakeholders as equal partners. In this context, they also value the voluntary nature of involvement. New partners should be persuaded, not pressured, to join.

One interviewee noted that relevant individuals from previous processes, e.g. global conferences, could also be a driving force behind a new MSP.

## 5.5 Interne Governance

### → Deliberation and decision-making procedures

As noted earlier in the section on definitions, the participation and decision-making structures of an MSP should be designed in such a way that all relevant stakeholders can be involved appropriately and remain engaged in the long term. However, there is often a trade-off between inclusion and efficient governance.

Multi-stakeholder partnerships fundamentally require the active involvement of diverse stakeholder groups. As such, their culture of discussion must not, of course, be allowed to stagnate as a result of participants insisting on their own position; stakeholders need to justify their arguments and make connections with the arguments put forward by others, where necessary supported by appropriate facilitation. In many cases, one or more stakeholders may need to undergo a learning process to make this possible. This culture of discussion will not always be easy to achieve and sustain but can create trust in the long term provided that all those involved are transparent in their contribution to discussions. It also means that positions within the partnership's working processes should not be blurred but must be communicated transparently both within the MSP and, where appropriate, externally. This is the only way to identify the key elements of the challenges faced by the MSP.

Access to decision-making procedures is a relevant criterion by which to distinguish an MSP from purely consultation processes or similar. If individual stakeholder groups do not have such access, they may not feel represented, may reduce their commitment or may even drop out altogether (Beisheim/Liese, 2014). The result may be that a stakeholder group or key representatives of that group abandon the MSP, jeopardising the entire process and the partnership's legitimacy. There is also a risk that key viewpoints may not be represented in decision-making, with a possible negative impact on achieving the MSP's declared objective.

The legitimacy of an MSP is enhanced if all the stakeholder groups affected directly by the partnership are voluntarily involved, without any form of coercion, in a process of argumentation and subsequent decision-making, producing a well-grounded consensus rather than a "lazy" compromise that reflects the bargaining power of only certain stakeholders (Schäferhof et al., 2007: 15). However, inclusion should not entail an over-complex system of internal governance but should be characterised instead by formal and optimally efficient decision-making structures.

There is no existing detailed research into the range of decision-making procedures used by MSPs. In the overview of MSPs relevant to this study, we identified the following participatory and decision-making structures.

- **Not all stakeholder groups involved in an MSP are necessarily involved in decision-making.** This is the case, for example, where an MSP does not allocate its partners to stakeholder groups or where the decision-making body does not allocate seats to specific stakeholder groups. If the board is elected by members using a simple voting procedure, it is possible that a particular stakeholder group may not be represented on the decision-making body.
- **All stakeholder groups within the MSP are involved in decision-making procedures, and decisions are made by a majority.** The MSP provides for all the stakeholder groups defined as partners to be represented on the decision-making body. Decisions are made by a majority.
- **All stakeholder groups within the MSP are involved in decision-making procedures, and no group can be outvoted.** The MSP provides for all the stakeholder groups defined as partners to be represented on its decision-making body. The decision-making procedure is designed so that all stakeholder groups have a veto or so no individual group can be outvoted.

Decision-making should acknowledge differing and divergent interests. Most of the MSPs we examined aim for consensual decision-making, but few have opted for this principle as the sole formal decision-making procedure (see section 6 below). A majority decision with a right of veto for all stakeholder groups may be more effective than consensus.



## Practice-based observations by interviewees: Internal governance

All our interviewees shared the view that the principle of a relationship of equals was important to their partnership. They commented, however, that genuine equality between the various stakeholder groups could not be achieved in practice, not least because of differing resource situations. Many of those interviewed therefore considered it particularly important to promote equality between partners as far as possible through internal structures and processes. Because of the different premises underlying each stakeholder group, no generalisations were made by interviewees about power imbalances. For example, one interviewee took the view that the financial resources of individual private sector stakeholders could be offset by the social capital (trust and legitimacy) that some civil society stakeholders bring to a partnership.

As regards decision-making, responses from interviewees showed that many MSPs operate on the principle of consensus or, at least, that they grant all stakeholder groups a right of veto. Nevertheless, one interviewee commented that the need to reach consensus could also hamper decisions, making it necessary to identify alternative decision-making processes.

Apart from the specific decisions made, interviewees indicated that the actual process of reaching such decisions was also important for cooperation on an equal footing. One suggested

way of achieving this equality was to allow each group the same amount of speaking time. Some interviewees commented that a similar form of equal representation should apply to working groups as to the MSP's decision-making body because working groups are where the groundwork is laid for decisions. If all stakeholder groups have an opportunity contribute their views at the preparatory stage, this increases the likelihood of proposals being supported by all stakeholder groups and reduces the risk of serious blockages in the decision-making process.

In the case of international MSPs, where stakeholders represent differing linguistic and cultural backgrounds, interviewees stressed that language skills were an advantage in presenting arguments and counter-arguments on highly sensitive issues. A number of interviewees observed that an independent facilitator can help to move the process forward in cases where the relations between stakeholders are particularly fraught.

Overall, interviewees stressed the importance of the decision-making procedure being observed, monitored and, where necessary, adapted flexibly.

Although formalised procedures are essential for the smooth operation of an MSP, it emerged from the interviews that many decisions were based on informal pre-negotiations.

In this way, not all the groups have to agree, but where a decision is fundamentally incompatible with the position of one stakeholder group, that group may exercise its veto.

### Implications by type of MSP

As a matter of principle, a relationship of equals and participation in decision-making are essential for all types of MSP.

- In standardisation partnerships, it is particularly helpful to make decisions with all the stakeholder groups in the MSP, particularly with representatives of the groups addressed by the standard, to ensure subsequent compliance with the standard when it is implemented.

- Service partnerships often need to consider local structures and contexts. It is therefore advantageous for stakeholder groups to be represented on local MSP bodies as well as on the decision-making bodies.
- In the case of knowledge partnerships, the focus is on deliberation rather than decision-making procedures.

## → Institutionalisation and formalisation

Bringing together differing and, sometimes, clashing perspectives requires a certain level of institutionalisation and formalisation. This depends crucially on the requirements and objectives of the individual partnership, including a clear allocation of roles and responsibilities, strategic planning and dispute resolution mechanisms so that needs, finances and resources can be coordinated. There is no general agreement on which internal structures are most effective within an MSP, and it can be assumed that there is no 'one size fits all' solution.



### Practice-based observations by interviewees: **Institutionalisation and formalisation**

All interviewees expressed the view that a secretariat is very important to the efficient operation of an MSP. They stressed in particular that secretariat staff should be neutral and that secretariats should ideally be based within an independent institution. One interviewee recommended involving all partners in the process of appointing a secretariat. Another observed that a coordinating secretariat needs to be given the necessary resources from the outset. Most interviewees agreed that a secretariat should be in place at the latest when the MSP begins operating.

Formalisation arrangements should be established to facilitate learning processes but should not be too rigid. One interviewee recommended that structures should in most cases not be formalised until the MSP has matured to a certain level. However, in the long term, it was felt that structures and processes need to be determined and accepted by all stakeholders, because clear structures create trust and confidence.

A number of interviewees noted that difficult negotiations and conflict are often part of the MSP process. They stressed the importance of working out disagreements not just within decision-making bodies but also earlier, at working group level. It is important, they argued, to reflect the fact that most MSPs' decision-making bodies

meet only at lengthy intervals, whereas working groups discuss issues on an ongoing basis. This, they asserted, can help to prevent the escalation of disputes and blockages in decision-making.

Based on the interviews, the main area of conflict within an MSP tends to be between partners from civil society and companies. In many cases, state actors were, however, were attributed an intermediary role.

Interviewees also cited a range of methods for resolving conflicts within their MSP:

- discussing possible areas of dispute bilaterally ahead of official meetings;
- involving (external) moderators and mediators;
- asking the secretariat to prepare draft resolutions;
- outsourcing technical matters to working groups;
- equal representation in working groups to cushion the impact of disputes ahead of meetings of the decision-making body.

Nevertheless, if the partnership is to function effectively, it is fundamental to establish an independent secretariat that can provide technical and organisational support (Beisheim/Liese, 2014). Much depends on how many individual stakeholder groups from different parts of the world are involved. The more complex a problem area is, the more resources will be needed by the secretariat. This means a professional staff with management experience and good communications skills as well as formalised processes, and possibly academic support.

Moreover, efficient and effective cooperation requires certain formalities to be established, e.g. deadlines and formats for outcomes, working group structures and rules of procedure. These help to structure expectations, thereby building trust and confidence. In conflictual MSPs in particular, this initial process of agreeing on structures and processes can help to lay the foundation necessary for the subsequent technical work.

### Implications by type of MSP

- Since knowledge partnerships primarily involve the sharing of non-material resources, rigid institutionalisation is not as important as for service partnerships, which employ substantial resources. Nonetheless, a good communications infrastructure is advisable, as is the formalisation of some processes, e.g. timely reporting or regular updating of websites. These should be managed by an independent secretariat (Beisheim/Liese, 2014).
- In standardisation partnerships, dialogue, mediation and consensus between the stakeholders need to be promoted because, in most cases, the MSP represents divergent interests that need to be harmonised in a uniform standard. Against this background, it is helpful to establish structured dispute resolution mechanisms.
- Service partnerships require adequate financial and material resources and an appropriate allocation of work to the partners involved that makes best use of their individual resources. A particular challenge for such MSPs is to involve both donors and beneficiaries appropriately in the partnership's structures.

- In regionally dispersed partnerships, particularly in the service and standardisation categories, care should be taken to establish a multi-level structure that reflects both local and regional interests. In local and/or regional bodies, too, the goal should be to represent each of the stakeholder groups involved in the MSP.

### → Financing

The financing of MSPs is a sensitive and highly relevant issue. Successful partnerships have adopted a variety of approaches, from being financed by a single financial donor or membership contributions through to a combination of basic state financing and project-based subsidies from the private sector and foundations.

Often, only limited financial resources are available, but the desired solution to the challenge tackled by an MSP extends beyond the financing time frame. A widespread difficulty is that MSPs cannot guarantee an effective solution to the problem in question. In the long term, mixed financing arrangements should be found wherever possible. In the case of MSPs that offer clear benefits to all partners, there is – up to a point – a willingness to pay membership contributions.

It is important that the financing model adopted by the partnership takes account of differences between the partners in terms of resources. In this respect, consideration must be given in particular to stakeholders from civil society and from poorer countries. It can also reasonably be assumed that partnerships which are able to demonstrate their legitimacy and effectiveness are more likely to attract further financial resources.

### Experience of different types of MSP

- Financing is particularly important for service partnerships, which require material resources for implementation.
- However, standardisation and knowledge partnerships also require a secretariat and need to organise and finance working group meetings and forums for exchange between their members. Although the sums of money needed are relatively small, it is particularly important for the



## Practice-based observations by interviewees: Financing

Numerous interviewees were concerned about long-term financing models. Many also mentioned the need for dialogue and support in this area.

Interviewees emphasised that state financing is helpful at the start-up stage, and there was no concern that funding entirely from the state might result in excessive influence. Instead, interviewees took the view that democratically elected governments already enjoy legitimacy, that financial support from state institutions therefore has a positive impact on the external image of an MSP, and that this can lead in turn to further relevant stakeholders joining the partnership. However, some interviewees commented that it can be difficult to justify long-term financing to taxpayers if the evidence of an MSP's impact is not available until later.

Some interviewees argued that, in cases where companies invest money in an MSP, it is necessary to ensure that the MSP is not hijacked by the company's interests and that it can continue to operate independently.

One practitioner explicitly made the point that most of the staffing resources needed by an MSP are provided by the partners without charge. Many partners, in particular those from civil society, often lack the necessary resources, so some MSPs have created financial structures to facilitate civil society involvement. Other interviewees questioned whether the act of funding civil society partners to carry out MSP activities might in fact jeopardise the independence of this stakeholder group.

legitimacy of such partnerships to demonstrate a transparent financing model and ensure that their activities remain independent.

### → Internal and external monitoring

The final group of success factors identified by Pattberg and Widerberg (2014) includes monitoring processes, which relate partly to internal governance and learning processes and partly to the evaluation of the MSP's impact and to its external reporting.

#### **Internal monitoring processes: transparency, accountability and learning processes**

The basis for all monitoring processes is transparency in relation to the MSP's responsibilities, accountability obligations and agreed target indicators. Only where this information is available can an MSP assess whether its structures are appropriate to achieving the desired objective.

Reflective monitoring creates opportunities for internal learning, allowing the MSP to adapt its processes and respond flexibly to changing demands and environments (Brouwer et al., 2016: 33). In some cases, individual stakeholders or stakeholder groups serve as an internal monitoring tool. For example, if a critical NGO wishes to withdraw from the MSP, this may jeopardise the continued existence of the partnership and indicate that processes need to be reviewed. .

#### **External monitoring and evaluation**

The legitimacy of an MSP is enhanced if it can demonstrate results and successes. MSPs differ widely in how they communicate their results: some publish annual reports or commission evaluations from external parties, while others do not even publish the agendas for their meetings. However, a robust system of monitoring and evaluation with appropriate external reporting can have a positive impact by:

- increasing transparency and accountability;
- building trust and credibility;

- motivating other stakeholders to become involved in the MSP;
- attracting the interest of financial donors.

Transparent structures are also crucial for internal and external accountability: stakeholders with the authority to make decisions can be held to account only if information about decision-making processes and activities is available. Formalised and institutionalised processes also play a part here, and the more clearly these processes are defined, the clearer the responsibilities are and the easier it is to adapt processes where necessary. An independent, well-staffed and well-equipped secretariat can also help to maintain a credible reporting system.

### Implications by type of MSP

Whatever their type, most MSPs undergo change in their first few months and years. It is therefore important for all types of MSP that problems and internal challenges are brought to light through appropriate monitoring and evaluation systems and addressed by learning processes.

Transparent responsibilities and demonstrable successes benefit all partnerships not just internally but also in terms of their external presentation.

- Standardisation partnerships mostly set voluntary standards, so the process of standard-setting must be perceived as legitimate if it is to secure recognition and subsequent respect. Legitimacy will be enhanced where regulatory intentions, processes and responsibilities are made transparent. Moreover, the application of a standard must go hand in hand with adequate monitoring.
- The verification and referencing of sources and data are important for knowledge partnerships as they underpin the credibility of the results achieved by such partnerships.
- The principal role of service partnerships is to provide resources, so internal monitoring is particularly important. It ensures that money and resources are being used efficiently and are not diverted for other purposes or misappropriated. A transparent system of monitoring and evaluation, including appropriate reporting, also boosts the MSP's legitimacy when demonstrating its success to financial donors.



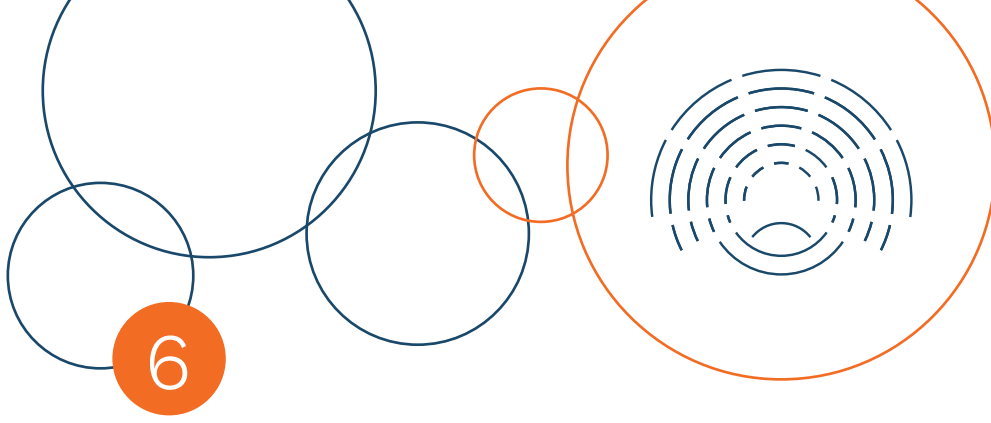
### Practice-based observations by interviewees: Monitoring

All interviewees generally considered monitoring very important, but, as the interviews showed, there were differences in relation to what is actually observed and monitored and how. Methods cited included, for example, financial controls, the documentation of membership figures, annual reports, regular exchanges between different working groups within an MSP, and the wide-ranging evaluation of results.

According to statements made by interviewees, monitoring is often based not on the MSP as a whole but on the activities of individual partners. Some interviewees stressed that in the long term MSPs needed to focus more on this issue

and to put in place appropriate processes. Before introducing a comprehensive monitoring system, they argued, smaller-scale processes could be used for internal learning within the MSP. In particular, it was felt that multi-level MSPs with national, regional and/or global bodies could promote the sharing of experiences. One interviewee commented that monitoring should also serve to reinforce the obligation of the partners to work towards the MSP's objectives so that cooperation within the partnership moves beyond the level of merely sharing experiences.





# The current MSP landscape and potential applications

## 6.1 Analysis of current MSPs with German involvement

For this study, we considered the objectives and governance systems of a total of 25 MSPs and conducted more detailed interviews with 10 of them. All 25 MSPs set objectives that support the implementation of 2030 Agenda, and all had at least one partner from the German state sector. We make no claim to our selection being representative, but the selected MSPs nevertheless represent a majority of existing MSPs with German involvement. This comparative study has enabled us to identify the priorities and special features of current MSPs with German involvement,<sup>8</sup> which we set out briefly below.

<sup>8</sup> The following multi-stakeholder partnerships were considered: Alliance for Integrity; Partnership for Sustainable Textiles (Textile Alliance); Initiative for Coffee and Climate; Competitive Cashew Initiative (ComCashew); Construction Sector Transparency Initiative; Cotton made in Africa; German Global Compact Network; Deutschland Extractive Industries Transparency Initiative (D-EITI); Sustainable Cocoa Forum; Forum for Sustainable Palm Oil; GAVI, the Vaccine Alliance; Garment Industries Transparency Initiative; Global Alliance for Clean Cookstoves; Global Fund to Fight AIDS, Tuberculosis and Malaria; Global Partnership for Education; Global Partnership for Effective Development Cooperation; Global Partnership for Education; Global Sustainable Seafood Initiative; Global Water Partnership; Green Cooling Initiative; The Malawi 2020 Tea Revitalisation Programme; Open Contracting Partnership; Renewable Energy Policy Network for the 21st Century (REN21); SEED Initiative: Promoting Entrepreneurship for Sustainable Development; Sustainable Development Solutions Network (SDSN); Sustainable Sanitation Alliance (SuSanA); and Water Supply and Sanitation Collaborative Council (WSCCC).

The selection is based on a compilation by the commissioning party supplemented by the authors' own research.

**Typology of MSPs.** Among the 25 MSPs considered, there is currently no identifiable focus based on type: eight fall into the standardisation partnership category, ten into the service partnership category and the remaining seven into the knowledge partnership category.

**MSP support for the implementation of SDGs.** Here, too, there is no discernible focus. Germany is involved in MSPs that support various SDGs, including:

- **SDGs 1 and 3.** Germany is working towards SDGs that aim to meet basic human needs, including health and the elimination of poverty, particularly through service partnerships such as GAVI and the Global Fund to Fight Aids, Tuberculosis and Malaria. No knowledge or standardisation partnerships were identified in these areas.
- **SDG 13.** Through representatives of state organisations, Germany is involved in a number of service partnerships in the area of climate change mitigation. These include the Coffee and Climate Initiative and the Global Alliance for Clean Cookstoves.
- **SDG 6.** In the area of clean water and sanitation, Germany is involved in knowledge partnerships such as the Global Water Partnership, the German Water Partnership and the Sustainable Sanitation Alliance.
- **SDG 16.** In the area of peace and justice, Germany is represented in a number of standardisation partnerships and transparency initiatives, including the Deutschland Extractive Industries Transparency Initiative (D-EITI), the Construction Sector Transparency Initiative and the Open Contracting Partnership.

- **SDG 8 and SDG 12.** Beyond the diverse priorities of MSPs, it is possible to discern a focus in German involvement on the closely interlinked issues of ‘good jobs and economic growth’ and ‘sustainable structures for production and consumption’. In this broad area, which impacts on global supply chains, Germany has helped a number of MSPs to initiate their work, including the Partnership for Sustainable Textiles, the Forum for Sustainable Palm Oil and Cotton made in Africa.

In the case of some SDGs, MSPs have so far been used only rarely as an instrument, even at international level. These include SDG 9 Industry, Innovation and Infrastructure, SDG 10 Reduced Inequalities and SDG 15 Life on Land.<sup>9</sup> However, this observation should not be seen as a call to launch new MSPs in these areas. These SDGs address cross-sectoral issues, and MSPs – which are most successful when they tackle narrowly-focused challenges – may not be the most appropriate instrument in such cases.

**Current and future involvement.** Germany is extending its involvement in MSPs. 16 of the 25 selected MSPs have been launched since 2010.

**Decision-making procedures within MSPs.** It is not possible to reach general conclusions about access by stakeholders to decision-making procedures, because almost half of the MSPs considered do not currently publicise information about their decision-making procedures.

In those MSPs with German involvement for which relevant information about decision-making procedures was available, we can see that they all allocate their partners to stakeholder groups and use quotas to ensure that each stakeholder group is represented on decision-making bodies. A majority of the selected MSPs have also taken measures to ensure that no stakeholder group can be outvoted. For example, in their constitutions and rules of procedure, rights of veto are provided for individual groups, or else decisions are taken by consensus.

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<sup>9</sup> A glance at the **Partnerships for SDGs platform** initially suggests rather different conclusions. For example, 55 partnerships are listed for SDG 9, 40 for SDG 10 and 70 for SDG 15. As set out above, however, the vast majority of these initiatives are not MSPs as we define them in this study. Moreover, initiatives can designate as many SDGs as they choose. This means that it requires very careful scrutiny to assess any of these partnerships on the basis of the Partnerships for SDGs platform.

## Overview of decision-making procedures for MSPs with German involvement

| Decision-making procedure   | Knowledge partnerships  | Standardisation partnerships   | Service partnerships   |
|---|---|--|--|
| <b>Not all stakeholder groups are necessarily involved.</b>                             |   |  |  |
| <b>All groups of stakeholders are involved; decisions are made on a majority basis.</b> | <ul style="list-style-type: none"> <li>• Global Water Partnership</li> <li>• REN21</li> <li>• SDSN</li> </ul>           | <ul style="list-style-type: none"> <li>• Global Sustainable Seafood Initiative</li> </ul>  | <ul style="list-style-type: none"> <li>• GAVI (the Vaccine Alliance)</li> </ul>  |
| <b>All groups of stakeholders are involved; no group can be outvoted.</b>               | <ul style="list-style-type: none"> <li>• German Global Compact Network</li> <li>• Sustainable Palm Oil Forum</li> </ul> | <ul style="list-style-type: none"> <li>• Partnership for Sustainable Textiles</li> <li>• D-EITI</li> <li>• Garment Industries Transparency Initiative</li> </ul> | <ul style="list-style-type: none"> <li>• Alliance for Integrity</li> <li>• German Initiative on Sustainable Cocoa (GISCO)</li> <li>• Global Fund to Fight AIDS, Tuberculosis and Malaria</li> <li>• Water Supply and Sanitation Collaborative Council</li> </ul> |

Source: List of MSPs with German involvement compiled by GIZ and supplemented by the HUMBOLDT-VIADRINA Governance Platform. MSPs without publicly available information on decision-making procedures are not listed. The authors make no claim to the list being exhaustive. (Information as at December 2016)

## 6.2 Potential applications

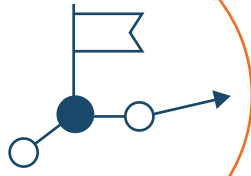
Both the literature and the interviews highlight the need to consider carefully whether MSPs are the best way of tackling a particular challenge. Stern, Kingston and Ke (2015) warn that implementing organisations and donors should think carefully before establishing an MSP and should do so only after detailed consideration of whether it is the best way of achieving the desired objective. Brouwer et al. (2015) note that setting up an MSP is a time-consuming and onerous process. The results may be very fruitful but do not manifest themselves quickly. One interviewee, a representative of a secretariat, pointed out that even establishing formal structures for an MSP can take several years. As a result, MSPs do not lend themselves to tackling short-term problems. Further reasons why an MSP should or should not be chosen are listed in the table below.

| When is an MSP not appropriate?  | When is an MSP appropriate?  |
|--|--|
| <ul style="list-style-type: none"> <li>• The objective can be achieved by an individual stakeholder or an individual organisation.</li> <li>• The problem requires a rapid solution.</li> <li>• There are better and quicker ways of achieving the objective.</li> <li>• Timing: There are existing initiatives or partnerships in the same thematic area. → Seek access to these initiatives/partnerships rather than initiate a new MSP.</li> <li>• Timing Lack of trust between stakeholders is an obstacle to constructive cooperation. → More groundwork is required to create awareness of the initiative, to win round partners and to develop trust.</li> <li>• The organisations involved risk being co-opted or suffering damage to their reputation through their involvement in the MSP.</li> <li>• It is unlikely that cooperation within an MSP will achieve change (the mechanisms by which the MSP aims to deliver results are not robust).</li> </ul> | <ul style="list-style-type: none"> <li>• The objective is to tackle a complex problem that one stakeholder alone cannot solve.</li> <li>• Additional stakeholders can contribute valuable additional resources or have complementary skills.</li> <li>• Results are likely to be more sustainable because they are based on a broader consensus.</li> <li>• Cooperation may bring advantages that could also be helpful for other activities.</li> <li>• It can be assumed that cooperation will produce benefits. However, the theory of change and the mechanisms for achieving that change as presented by the MSP require careful checking.</li> </ul> |

Source: authors' own compilation based on Brouwer et al., 2015

As a result, it is not possible to make global judgments about which social challenges can be tackled effectively by MSPs. In each case, it is essential to consider whether an MSP is the best and most efficient way of achieving the desired objective. For example, those involved should check on a case-by-case basis whether there are existing initiatives or partnerships on to which a new initiative might dock, producing synergies that can then be harnessed. It is also essential, for each country where the MSP wishes to be active, to analyse the environment in which the stakeholders will operate. Both these points were raised by a number of interviewees. Additionally, before launching an MSP, the level of existing conflict between stakeholder groups should be clarified: although an MSP must be able to handle differing views and contentious issues, there must be a fundamental willingness on the part of all stakeholders to work together towards a common goal.

Equally, the challenges facing MSPs as described in this study should not lead us to conclude that stakeholders should initially seek to tackle solutions to all these problems themselves. Indeed, these considerations demonstrate ever more clearly the need to integrate many different perspectives – the countries of the global South, industrialised nations, academia, elected politicians, civil society, the private sector and, where appropriate, additional stakeholders – in order to tackle complex global challenges. This is particularly the case for wide-ranging and cross-cutting thematic areas where as yet there are few, if any, MSPs, e.g. in the fields of equal rights, innovation and infrastructure, and sustainable urban and municipal development. These are issues that have a direct impact on numerous stakeholders. Consequently, there is a need, here too, for problem-solving formats that are capable of integrating as many different perspectives as possible. As described in section 4, these processes should ensure the involvement of all stakeholders with an interest in the subject and those able to contribute additional resources and expertise.



## Summary and suggestions for the way forward

The aim of this study was to offer a practice-based overview of the challenges, potential benefits and success factors that characterise multi-stakeholder partnerships, focusing particularly on the German MSP landscape. To this end, we cast our net widely, mapping numerous MSPs with German involvement. We compiled detailed profiles of ten such MSPs and interviewed selected representatives of various partnerships.

As sections 3 and 4 of this study demonstrate, multi-stakeholder partnerships represent a fundamentally innovative approach to achieving the sustainable development goals and promise substantial results when certain conditions are met. The MSP approach is based on the conviction that most complex social challenges should not be tackled by a single stakeholder and in particular that they should not, and in some cases cannot, be addressed without the involvement of social stakeholders. In some specific forms of cooperation, it is not always possible to establish a basis of trust, but our interviewees confirmed that the ongoing process involved in an MSP can help to create shared understanding as part of a genuine exchange between stakeholders and thus initiate far-reaching change processes.

MSPs are one possible approach to tackling social problems in areas where the market or governmental organisations deliver only inadequate solutions or in areas that have traditionally been unregulated. The substantial number of new MSPs launched over recent years also reflects a new and less hierarchical, but more integrative, understanding of the relationship between stakeholders from the private sector and government. Private sector stakeholders – both those with a focus on generating profits and those not-for-profit – are increasingly involved in formulating and implementing policy measures. The challenge MSPs face is to bring together diverse

stakeholders with differing expectations, skills and outlooks in an attempt to work together on solutions to a clearly defined problem. In this context, it is important to note that there is currently no uniform understanding – either in the literature or among the implementing organisations surveyed in Germany – of what constitutes an MSP. For this reason, it is difficult to produce a comparative analysis of MSPs. However, if we wish to differentiate MSPs from other forms of cooperation, we can say that an MSP should include representatives of at least three stakeholder groups (from the state, the private sector, civil society and academia) who work together, to a certain extent on an institutional basis, to achieve an objective for the benefit of the public. This criterion applies to a number of the partnerships we considered. It follows that some lessons and conclusions can be drawn from a comparative overview and on the basis of our interviews and the literature. These findings should be taken into account when setting up an MSP and in relation to its work.

Interviewees felt that the planning and initiation process was a critical phase in which the differing expectations, cultures and interests of the various stakeholders needed to be balanced. The interviews confirmed that companies in particular want to see rapid results, even though MSPs generally require longer-term cooperation. Civil society stakeholders are often sceptical as they embark on the process, as in some cases they prefer legal requirements to voluntary initiatives. To overcome this scepticism, but also more generally to win the trust of all the stakeholders involved, the interviewees stressed unanimously the importance of jointly defining objectives and formulating processes. A further key element in developing an MSP is to create additional benefits for all the stakeholder groups involved.

The countries and contexts within which MSPs operate influence their modus operandi. MSPs are usually successful in countries where the principles of transparency and participation are firmly embedded in the political culture and where civil society stakeholders can act freely. It is important that consideration is also given to the implications of local implementation and to ensuring ‘ownership’ by local stakeholders. The greater the knowledge of the local and regional context, the easier it is to integrate these into objectives and working processes. MSPs can deliver on their aspirations of driving social change only if they develop approaches to operating in countries where conditions are difficult.

Because stakeholders and problem contexts vary so widely, it is impossible to define a ‘one size fits all’ model for MSPs. For example, we cannot stipulate how the bodies within an MSP should be structured, what sort of financing is appropriate or what kind of decision-making structures should be adopted. Rather than as a rigid construct, MSPs should be seen as a formative process that can be improved over time subject to adequate awareness-raising and flexibility. However, interviewees pointed out that MSPs must always ensure that their chosen financing structure does not jeopardise the independence of their work. In practice, all the MSPs we considered also chose a decision-making procedure that guaranteed the integration of all stakeholder groups. In this context, it is important to reflect the main activity of the MSP, whether this is developing a standard, providing a service or facilitating the exchange of knowledge, as each makes different demands in terms of the design of the MSP. The specific results are listed separately for each type of MSP according to its main activity in section 5. For example, in standardisation partnerships, it is crucial to integrate all the relevant stakeholders, whereas service partnerships make more stringent demands in terms of transparent financial monitoring. Structural aspects must be taken into consideration in any long-term assessment of the results of an MSP. MSPs cannot replace traditional international cooperation instruments; they can only complement them in certain areas. The MSP instrument should therefore always be considered as part of an overall picture in conjunction with other elements of global governance.

Multi-stakeholder partnerships can enhance the legitimacy and sustainability of decisions, thereby helping to tackle social challenges. While the problem-solving potential of MSPs is quite often over-estimated, the demands involved are frequently under-estimated. Interviewees confirmed that development and implementation are long-term, time-intensive and, in most cases, also costly activities. The participating stakeholders are expected, over a lengthy time frame, not only to be willing to broaden their perspectives, show a high level of engagement and demonstrate interest in building consensus but also to commit the personnel and financial resources required for intensive cooperation. Against this background, as pointed out in section 6, alternative options should always be explored. This necessitates a wide-ranging comparative evaluation of MSPs and other instruments for implementing 2030 Agenda and a coordinated set of approaches.

In order to reach a comprehensive understanding of the challenges, potential benefits and success factors of MSPs, the following questions should be addressed in consultation with the academic sector and other implementing organisations.

- What existing approaches are there to measuring the results of MSPs and what experiences of doing so are available, particularly in areas where it is difficult to assess their impact because of the associated causal complexity?
- What financing mechanisms need to be established in the long term to ensure that MSPs have the resources they need?
- What scope is there for an MSP to develop a self-sustaining business model, including in relation to donor withdrawal (exit strategy)?
- How can learning experiences be systematised and duplicate structures avoided in cases where individual stakeholders – such as governments – are involved in many MSPs?
- How can an MSP’s momentum be preserved and stakeholders’ lasting engagement sustained beyond the initial enthusiasm?
- What influence do new financing partners have on an existing MSP?

- How can MSPs be linked with other current trends, such as social impact investment?
- How can systematic learning between MSPs be established?
- How can MSPs be coordinated at global level as part of 2030 Agenda to ensure that we make judicious use of resources and avoid duplication and fragmentation?

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## Annex: Characteristics of stakeholder groups

The following overview sets out the range of characteristics represented by stakeholder groups:<sup>10</sup>

- **State institutions** obtain electoral legitimacy to make decisions on behalf of society as a whole (input legitimacy). However, unlike the corporate sector and organised civil society, the state cannot restrict itself to certain objectives and issues. In principle, it must engage with the full range of interests and find a compromise between them through theoretical and practical mediation.
- The **corporate sector** does not have democratic legitimacy, but over recent years it has established a pivotal, cross-border position of strength and therefore represents a powerful counter-force to the state. Its main characteristic is its right to pursue its specific interests in terms of a company's economic success, especially through dependable market conditions that favour business. It relies for this on state regulation, which enables it to function properly under conditions of fair competition. However, the corporate sector strives to be as free as possible in its actions, giving it reasons both for conflict and for cooperation with the state. Companies have considerable scope for influence because, through mechanisms operating within national economies and, often, also across borders, they can act more quickly than states, which have to seek shared solutions through government negotiations.
- When it acts transparently and in the public interest, **organised civil society** enjoys the trust of society (output legitimacy). This trust is derived not least from opposition and campaigns, and civil society can use it to underpin the credibility of democratic decisions and, thus, to strengthen democratic legitimacy. Organised civil society is not subject to the constraints of electoral processes and legislative terms; nor does it have to make realpolitik compromises. It plays a vital role in the preparation and subsequent monitoring of public-interest policymaking and has therefore evolved to become a key driver of innovations that enhance the common good.
- **Academia** is not normally involved as a stakeholder in its own right – that is, as a representative of its own particular interests (e.g. as a professional association). Its input primarily takes the form of expertise. There may, however, be multi-stakeholder partnerships that aim to promote understanding between academic and social stakeholders, for example with a view to formulating and developing joint research projects. This type of cross-disciplinary approach can open up new approaches to academic issues, identify areas for further research and generate new knowledge through common understandings. The academic sector has an inherent interest in such approaches.

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<sup>10</sup> See also HUMBOLDT-VIADRINA Governance Platform, 2015.



